

FAX Cover Sheet

To: Hon. Judge J. Frederick Motz
H.S. District Court for the District of Maryland

FAX: 1- 410 - 962-7574

From: Cole Thompson

FAX: 1-510-627-3030

Phone: 1-510-627-2245

FAX pages: 1

Dear Judge Motz:

I am writing to express my deep concern over the proposed settlement of the private antitrust cases against Microsoft. The bulk of the proposed settlement rests upon Microsoft providing its own software, valued at typical retail prices. This would be an absolute travesty, for two reasons:

- 1) The cost to Microsoft of developing its software is what is referred to in accounting as a fixed cost, or a "sunk cost". The financial burden to Microsoft to create any software for this proposed settlement has already been borne by Microsoft. The incremental cost of creating any additional CD-ROM disks with Microsoft software is trivial (CD-ROM media is extremely cheap). Therefore, software that Microsoft states is worth one or two hundred dollars per copy as part of the settlement actually costs Microsoft perhaps 10 cents per copy to produce.
- 2) The proposed proliferation of Microsoft software in school settings would only serve to strengthen Microsoft's monopoly. It would probably be injurious to impoverished school districts in the long run, as these schools would have acquired a dependence on Microsoft products, and when Microsoft issued future versions that (invariably) required more capable computer hardware to run, the schools would have little choice but to expend the money required to upgrade their computers.

I hope that the court will see fit to reject this proposed settlement, as it imposes no penalty of any substance on Microsoft, and promises to cause harm to our schools.

Thank you for your attention.

Cole D. Thompson
Web Developer, Kaiser Permanente
Oakland, CA